

ORIGINAL




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MEMORANDUM

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TO: Docket Control
Arizona Corporation Commission

FROM: Ernest G. Johnson 
Director
Utilities Division

Date: November 21, 2005

RE: STAFF REPORT FOR PAYSON WATER COMPANY GERONIMO SYSTEM
– WHISPERING PINES FIRE DISTRICT REQUEST FOR VARIANCE TO
MORATORIUM ON NEW SERVICE CONNECTIONS (DOCKET NO. W-
03514A-05-0729)

Per the Procedural Order issued November 7, 2005, attached is the Staff Report for the Whispering Pines Fire District application for a variance to the moratorium on new service connections to the Payson Water Company – Geronimo System. Staff is recommending approval.

EGJ:SMO:red

Originator: Steven M. Olea

Attachment: Original and 13 Copies

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Service List for: Payson Water Co., Inc. – Geronimo System
Docket No. W-03514A-05-0729

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STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

PAYSON WATER CO., INC.
GERONIMO SYSTEM
DOCKET NO. W-03514A-05-0729

APPLICATION BY WHISPERING PINES FIRE DISTRICT
FOR VARIANCE FROM
DECISION NO. 67747
REGARDING MORATORIUM

NOVEMBER 21, 2005

EXECUTIVE SUMMARY
PAYSON WATER CO., INC. – GERONIMO SYSTEM
DOCKET NO. W-03514A-05-0729

Staff recommends that the Payson Water Co., Inc. – Geronimo System (“Geronimo”) be allowed to serve up to 80 residential size meters (5/8”x 3/4” or 3/4”). This would equate to six meters in addition to the 74 currently connected to the system. The first additional meter to be connected should be that serving the new building for the Whispering Pines Fire District.

In addition, Staff recommends that Geronimo be ordered to immediately begin searching for new water sources.

STAFF ACKNOWLEDGEMENT

The Staff Report Payson Water Co., Inc. – Geronimo System, Docket No. W-03514A-05-0729, was the responsibility of Steven M. Olea.

A handwritten signature in black ink, appearing to read 'S.M. Olea' followed by a stylized flourish.

Steven M. Olea
Assistant Director

On October 19, 2005, the Whispering Pines Fire District (“District”) filed a request for a variance to the meter moratorium that has been imposed by the Arizona Corporation Commission (“Commission”) on the Payson Water Co., Inc. – Geronimo System (“Geronimo”). The District indicates that it does not need this service connection to supply typical uses. Specifically, the District indicates that it needs a meter “installed to supply a regular hose bib ... to be able to hose off steps of fire trucks (to avoid slip injuries) and to be able to wash hazardous chemicals and blood off our professional firefighters after they make emergency medical calls. We are not requesting water to fight fires or to refill our tender trucks, just seeking to protect our staff and equipment that frequently responds in snow, mud, and serious medical situations.”

The Commission originally imposed the moratorium in Decision No. 52454 (September 18, 1981). The moratorium was modified in Decision No. 57584 (October 11, 1991). In Decision No. 67747, the Commission again modified the moratorium by allowing one additional meter at Lot 59A in Geronimo Estates. In addition, this decision required Geronimo to conduct a system monitoring exercise for 12 months to determine if the moratorium should be further modified (i.e., allow more connections to the system or remove the moratorium all together).

To date, Geronimo has submitted five months worth of data for the system monitoring exercise. The customer count data indicates that there are 62 active connections on this system and 12 inactive connections, for a total of 74. The water use data submitted is inconsistent due to a new sonic measuring device being used to determine the static water level in the wells and because new well-head meters were installed (on July 20, 2005). However, in using the worst case scenario for the water use data, it is Utilities Division Staff’s (“Staff”) opinion that the 62 active connections have a peak use of approximately 0.2 gallons per minute (“gpm”) each. This would equate to a total peak use demand of 14.8 gpm for all 74 connections. The well production data submitted by Geronimo indicates that the production from the two wells is approximately 16 gpm. This analysis would indicate that the system could serve approximately 80 connections (16 gpm/0.2 gpm per connection = 80).

It should be noted that Staff visited the water system on October 28, 2005. On this particular day, Staff witnessed the wells pumping at a combined rate of almost 24 gpm. Based on the past history of this water system, Staff does not believe that this pumping rate can be sustained for a prolonged period of time, especially in the summer.

In the previous Staff Report (dated November 15, 2005) discussed in Decision No. 67747, Staff determined that based on the data available at that time, it appeared that the Geronimo system could serve approximately 88 connections.

Based on the above, it is Staff’s opinion that the meter request by the District should be granted with the condition that the District use water for only the uses outlined in its request and as quoted above. In addition, it continues to be Staff’s opinion that at least 12 months of consistent water use data is needed (as ordered in Decision No. 67747) before a final decision on the moratorium is made.

However, Staff would recommend that a total of no more than 80 connections be allowed to the Geronimo system at this time. This is based on the fact that the previous Staff Report indicated a possible capacity of 88 connections, the worst case scenario water use data was used for the instant Staff Report, and the customer data indicates a number of inactive connections each month. If this recommendation is accepted by the Commission, it would mean that five more connections would be allowed in addition to the District (62 active + 12 inactive + District + 5 more = 80).

Staff further recommends that Geronimo be ordered to immediately begin searching for new water sources. In discussions with the District (specifically Mr. Harry D. Jones), the District identified two possible water sources for Geronimo. According to Mr. Jones, each source is approximately 2 miles from Geronimo. The sources identified are the Camp Geronimo Boy Scout Camp and Bray Creek Ranch.

In addition, Staff has been informed that if Geronimo is not interested, willing or able to search for new water sources, the Geronimo Estates Property Owners' Association Group may be interested in purchasing Geronimo from Payson Water Co., Inc.